

Realfiction Lab
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ANNUAL REPORT 2025

EXTRACT OF THE OFFICIAL
FINANCIAL STATEMENTS
IN SWEDISH

Realfiction Holding AB
559110-4616



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SUMMARY OF THE YEAR

Total revenue amounted to 4.2 MSEK (2024: 18.6 MSEK)

Result after financial items amounted to -30.1 MSEK (2024: -22.8 MSEK)

Gross profit totaled 2.3 MSEK (2024: 13.7 MSEK)

Gross profit margin was 54.0% (2024: 73.4%)

Earnings per share was -1.18 SEK (2024: -0.93 SEK)

The solvency ratio was 67.0% at the end of the year (2024: 58.2%)

Cash flow from operating activities amounted to -19.7 MSEK (2024: -9.6 MSEK)

Equity was 48.4 MSEK (2024: 51.8 MSEK)



Picture on front page: Realfiction showcasing Directional Pixel Technology at CES 2026, Las Vegas, USA, January 2026.

Picture above: Snapshot from a livestream by technology reviewers Bitwit and Paul (Paul's Garage). The video is available via the following link: <https://www.youtube.com/live/ISVJyRk93SY?t=9111s>.



CEO COMMENTS

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Although we did not achieve the commercial breakthroughs we had hoped for during 2025, we took important steps towards the industrialisation of DPT through new partnerships, significant technological advances and several world-leading demonstrations. This work has laid the foundation for the opportunities we now see in 2026, including an alternative SLM approach that could simplify the path towards large-scale production.

Important steps towards commercialisation of DPT

2025 became a year focused on further advancing the Company's Directional Pixel Technology™ (DPT) towards industrialisation and preparing the technology for mass production. During the year, the Company strengthened its partner network, expanded its manufacturing-related collaborations, and continued discussions with potential commercial partners regarding future revenue-generating projects and applications.

Collaboration with Goworld strengthens the path towards mass production

An important strategic milestone was achieved in January when we announced a licence and collaboration agreement with Goworld, a display technology manufacturer. With decades of experience in producing high-quality LCD displays, Goworld represents a valuable addition to our partner network. Today, this collaboration forms an important part of our ongoing efforts to prepare the DPT platform for mass production.

Significant advances in key DPT components

During the year, we made significant progress in developing and refining key DPT components such as our Spatial Light Modulator (SLM). In February, we presented a 15-inch SLM compatible with all major display technologies, including LCD, LED/MicroLED and OLED displays.

In April, this was followed by the presentation of the world's first glasses-free 3D MicroLED display prototype together with PlayNitride. PlayNitride is a leading innovator within MicroLED displays, and we are pleased to collaborate with them at the forefront of how this emerging display technology can be enhanced through the addition of our DPT platform.

Another world-leading achievement was presented in October when we demonstrated the world's first 3D display capable of showing three different full-screen experiences simultaneously. This display prototype enabled us to demonstrate some of DPT's key capabilities: multiple 2D or 3D video streams in full resolution experienced simultaneously by three people. This represents a significant technological advancement compared with existing 3D display products, which continue to face substantial limitations with respect to the number of simultaneous users, image resolution and image quality.

It is important to emphasise that these achievements are not merely new display prototypes created for demonstration purposes. They reflect our ongoing progress in developing and scaling key DPT components towards mass production readiness. Each milestone brings us one step closer to establishing a complete production framework for full-size DPT displays, thereby increasing the value of our technology and strengthening our attractiveness to larger commercial partners.

An alternative path towards large-scale production

Despite the progress achieved within the DPT platform during the year, we have not yet succeeded in securing commercial agreements capable of generating recurring revenue. One key obstacle, as recently communicated, is that our most advanced SLM solution utilises ferroelectric liquid crystals (FLC). This technology has not yet been adopted within the display manufacturing industry, creating a final practical and financial hurdle for potential commercial partners on the path towards mass production of DPT displays.

To address this challenge, we have achieved an important technological breakthrough by enabling an alternative and more direct development path for our SLM technology through the use of nematic liquid crystals. These materials are already widely used within the display industry and are compatible with established mass production methods. We are currently working with partners to further validate and integrate this enhanced SLM solution into future DPT display designs. This may prove to be the step that enables Realfiction to enter its next phase, as we continue to identify potential strategic partners together with Grant Thornton in order to maximise shareholder value.

Going concern and funding horizon

Although the technological and commercial progress achieved during 2025 has strengthened the foundation for the commercialisation of DPT, the Company has not yet succeeded in securing revenue-generating DPT agreements beyond the one-off income recognised during the third quarter of 2024. Realfiction therefore remains dependent upon future commercial agreements, strategic initiatives and financing activities to support its long-term capital requirements.

Following the year-end, the Company's liquidity outlook has been negatively impacted by an early repayment requirement under the Company's loan agreement following covenant-related events linked to the Company's market capitalisation. Consequently, the Company is pursuing near-term financing initiatives while continuing its strategic review process together with Grant Thornton Corporate Finance, alongside ongoing commercial discussions relating to DPT.

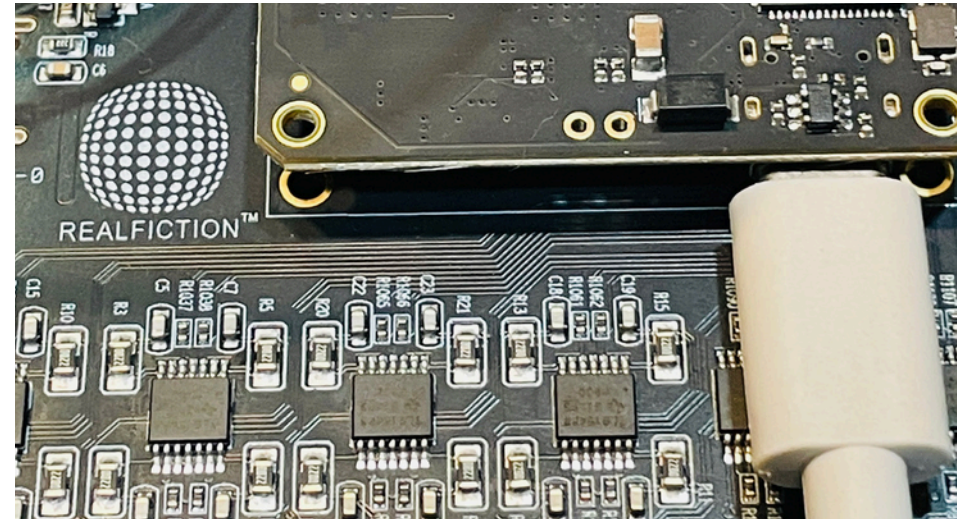
At the same time, the Company has recently introduced an alternative DPT approach based on nematic liquid crystals. Management believes that this approach could provide a more direct and scalable route towards commercial implementation compared with the previously communicated FLC-based approach. Technical validation activities are currently ongoing, with important milestones expected during the coming months. Successful validation could significantly strengthen DPT's commercial attractiveness and support ongoing strategic and commercial discussions.

Based on the Company's current cash flow forecasts, existing liquidity is expected to support operations into late summer 2026, assuming no additional capital inflows are obtained through commercial agreements, financing activities and/or other liquidity measures. Accordingly, the Company remains dependent on successful near-term progress within its ongoing commercial, strategic and financing initiatives in order to support operations beyond this period.

Despite the current uncertainties, Management and the Board continue to believe that the Company's technology platform, intellectual property portfolio and commercial opportunities represent a significant long-term value creation opportunity. Finally, I would like to thank all employees, partners and shareholders for your support throughout the year. We have built a strong foundation to continue developing throughout the remainder of 2026 and beyond.



Clas Dyrholm
CEO, Realfiction Holding AB

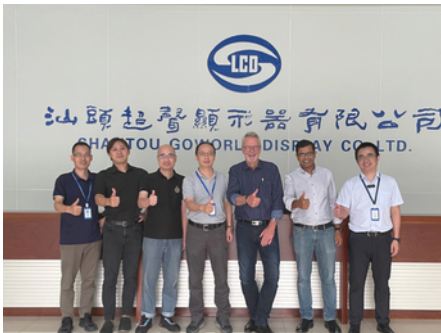


Picture above: Driver electronics incorporating Realfiction DPT algorithms.

SELECTED EVENTS IN 2025

January 2025

Realfiction signs a significant license and collaboration agreement with Goworld, paving the way for mass manufacturing of 2D multi-view and 3D DPT display products.



February 2025

The first version of a key DPT component – a specialized 15.5-inch spatial light modulator compatible with LCD, LED/MicroLED, and OLED displays – is presented.



April 2025

Realfiction and PlayNitride unveil the world's first MicroLED-based 3D display, powered by Realfiction's Directional Pixel Technology. It is presented for the first time at Touch Taiwan 2025 in April.



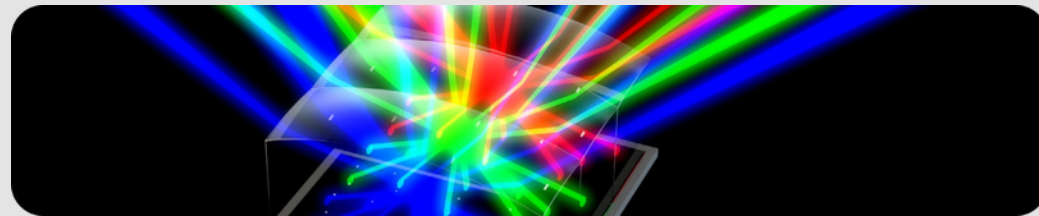
October 2025

Realfiction builds a DPT demonstration display that becomes the world's first 3D display showing three different full-screen experiences simultaneously.



April 2026

Realfiction announces a significant technological advancement in its Spatial Light Modulator, a key component of its DPT technology platform, which could lead to a more direct and scalable approach to mass production of large-format 2D and 3D full resolution multiview DPT displays.



DIRECTIONAL PIXEL TECHNOLOGY™ (DPT)

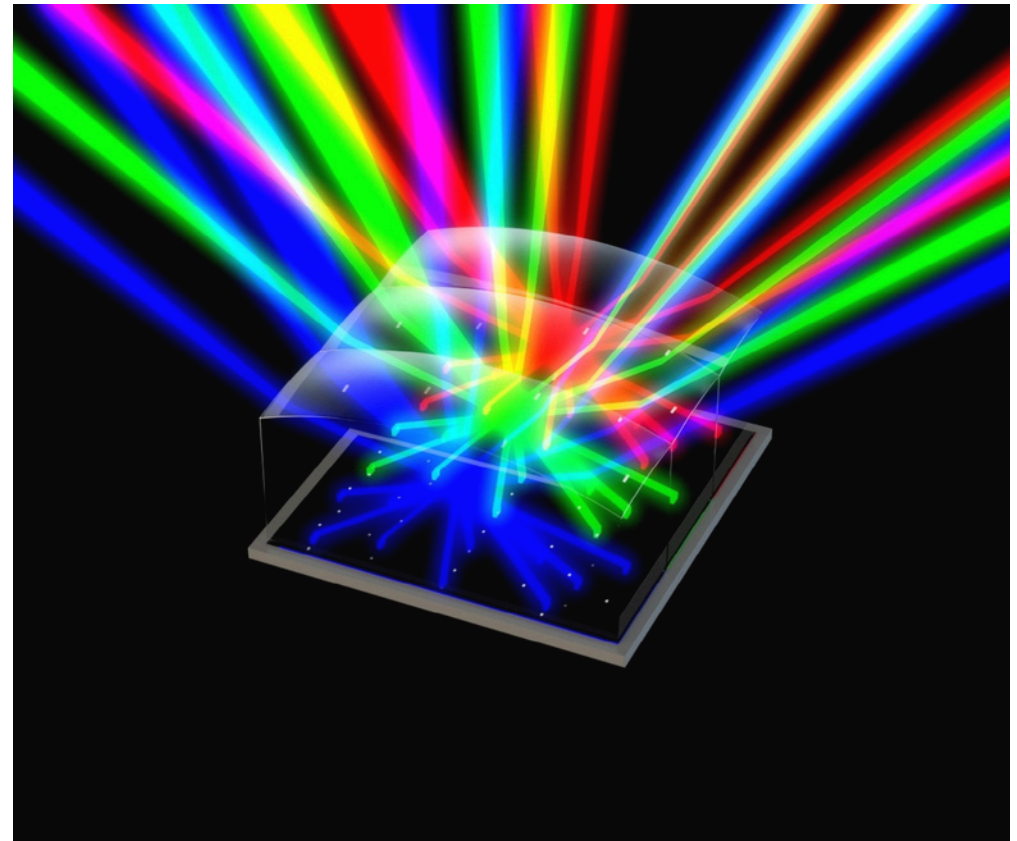
Since the beginning of our journey our vision has always been about creating experiences that bring people together. At the heart of this vision sits our innovation team, a group of dedicated, like-minded individuals all sharing the belief that our technology should be about enabling magical moments that can be collectively experienced and shared with others. Realfiction has developed its Directional Pixel Technology™, a next-generation approach beyond head-mounted wearables, that we believe is just the first, primitive stage.

DPT – A TRUE NEXT-GENERATION 2D AND 3D DISPLAY TECHNOLOGY

After years of innovation and development, we have created an IP platform and licensing integration packages around DPT, a technology that enables the holy grail of 3D experiences; free-floating holograms that require no glasses, devices or other lenses between the human eye and the effect, and where 3D objects can be viewed and interacted with from different angles. This display has for many years existed purely as an item of science fiction, deemed improbable to ever surface in our present lifetime. However, with DPT, Realfiction has not only created an elegant solution for building such displays, it is also compatible with all three major display formats: LCD, OLED and microLED. Our DPT IP portfolio is constantly growing as we refine hardware and software aspects of the technology.

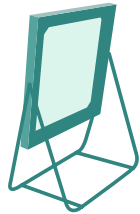
It is important to highlight that even though we come from a 3D experience perspective, DPT can do so much more. It is for example capable of providing multiple separate 2D or 3D views in full resolution from the same display, which is an attractive feature set for entertainment and gaming as well as safety applications, such as making sure that a driver is not distracted when a car is moving.

In 2024 we advanced licensing discussions with several potential commercial partners in multiple industries, from display manufacturers and display IP providers to providers of display-based products and automotive companies. Our first commercial DPT agreement, valued at 7.4 MSEK, was signed in September for a custom-tailored proof of concept to an undisclosed customer.



Picture above: Illustration from a video illustrating how the amazing OLED version of DPT works.

COMPANY DEVELOPMENT AND FUTURE



2008-2018 PRE-DPT PHASE

- After being founded by Peter Simonsen and Clas Dyrholm in October 2008, the company developed several successful mixed reality displays for the retail segment within its Dreamoc product family.
- In 2017, Realfiction was listed on Nasdaq First North Growth Market.
- With increased funding and resources, the company launched DeepFrame One, the world's largest mixed reality display.



2019-2023 DPT DEVELOPMENT PHASE

- In 2019, the company presented DPT (previously named ECHO) and completed a proof of concept for the technology.
- In 2020, a beta version of an LCD DPT display was created. This was followed by an ambitious development integration with several partners, including Fraunhofer FEP and imec, to complete an integration license package for DPT. This crucial milestone was achieved in April 2022.
- To enable licensing of the DPT IP platform to commercial partners, patent applications were filed to protect both hardware and software parts of the technology.
- The company also presented its Holowize 3D film to holographic film conversion technology in 2021, and formed a strategic alliance with the large LCD manufacturer AmTRAN in January 2022 to bring specific LCD versions of DPT to market.

2023-2024 DPT COMMERCIALIZATION PHASE

- In 2023, the company completed the first DPT LCD display, as well as demonstrators for an OLED version and a microLED version. DPT is thus compatible with all of the three major display technologies.
- The DPT IP portfolio was expanded with an exclusive license for super-fast ferroelectric liquid crystal (FLC) technology from Hong Kong University of Science and Technology. Two DPT patents were issued in 2023 and two more in 2024.
- Demonstrations in Taiwan were held for potential commercial partners, followed by the world premiere of the microLED version at Display Week 2023 in May, and a total of 38 meetings during the CES week in January 2024.



SEP 2024- (ONGOING) DPT COMMERCIAL PHASE

- Marking a key milestone, the first commercial DPT agreement—worth 7.4 MSEK—for a custom-designed proof-of-concept display was finalized in September 2024, with payment received in December 2024 from an undisclosed customer.
- A significant license and collaboration agreement was signed with Shantou Goworld Display Co. Ltd. (Goworld) in January 2025, paving the way for mass manufacturing of DPT display products, initially targeting multi-view applications and 3D applications thereafter.



MARKET OVERVIEW AND DPT BUSINESS OPPORTUNITIES

The 3D display industry is experiencing rapid growth, driven by rising demand across consumer electronics, gaming, and automotive sectors, as well as technological advancements such as glasses-free image viewing.

The global 3D display market is projected to grow from a market size of USD 204 billion in 2026 to USD 414 billion by 2030, representing an impressive CAGR of 19.3% (Grand View Research, 2025). Key drivers underpinning this expansion include:

- Technological advancements: Continuous improvements in display manufacturing are raising image quality and broadening usability.
- Emerging market growth: Expanding middle classes in China, India, and Southeast Asia are accelerating demand for advanced display technologies.
- Declining device costs: Falling production costs are making 3D displays increasingly accessible to a wider consumer base.
- Broader industry adoption: Applications are extending well beyond consumer electronics into healthcare, education, engineering, and professional visualization.
- Rising entertainment and gaming demand: Growth in immersive gaming, VR/AR, and next-generation home entertainment is fueling demand for high-quality, glasses-free 3D experiences.

Realfiction is positioned to target a very large and growing share of the global 3D display industry, spanning automotive, gaming, consumer electronics, digital signage, medical imaging, and professional visualization. Beyond this, Realfiction is also well-positioned to capture a significant share of the emerging multi-view display segment which is not reflected in the 3D industry market size.

Market potential for DPT in the large TV segment

As DPT has the potential to be integrated into the production of future flat-screen televisions, Realfiction is also targeting the large TV segment, defined as 48 inches or more. The company focuses on implementing DPT in large TVs because this is a premium segment where the latest features are introduced first, and where consumers are willing to pay a premium. Additionally, the 3D experience becomes more impactful with a larger screen.

According to IMARC Group, the global market for smart TVs was valued at USD 290.7 billion in 2024 and is expected to reach USD 475.0 billion by 2033, with a compound annual growth rate (CAGR) of 5.56% during the period 2025 to 2033.

ADRESSABLE MARKET



Royalty fees will be negotiated with our future customers.

Historically, disruptive technology has earned 1-5% of product income.

This percentage differs between technologies on the basis of several factors such as, but not limited to the level of inventiveness, IP protection, demand.

Displays produced in 2023

Display types:	# of units:	Source:
TVs	253,800,000	Omdia
TV displays > 65"	33,337,220	Omdia and Applied Materials
Center stack displays > 10"	53,806,000	KDIA.org (Korea Display Industry)
Gaming monitors	20,800,000	Statista



COMPETING TECHNOLOGIES AND COMPANIES

The display technology industry is highly competitive, with major players constantly innovating to meet the growing demand for advanced visual experiences. The global 3D display market is expanding rapidly across sectors such as entertainment, gaming, automotive, and digital signage.

Companies like LEIA, Sony (Spatial Reality Display), Looking Glass Factory, Japan Display Inc., and Sharp primarily utilize conventional lenticular or 2D multi-view technologies. Lenticular 3D introduces blurring at off-axis angles and imposes a restricted field of view - often at significant cost, effectively restricting experiences to single users. Meanwhile, 2D multi-view solutions are prone to image ghosting, color distortion, and resolution loss.

For example, Sony's Spatial Reality Display is able to deliver high-quality 3D visuals but is limited to one person and comes at a high price point. Japan Display Inc. has developed a 2D multi-view function targeted at the automotive industry; however, this solution halves the display resolution.

Realfiction is addressing these challenges with DPT, focusing on multi-user use cases and aiming to deliver high-quality 3D experiences without the quality trade-offs or rigid viewing constraints associated with conventional technologies.

As a result, DPT is positioned to be the clear technological standard for next-generation 3D display applications.



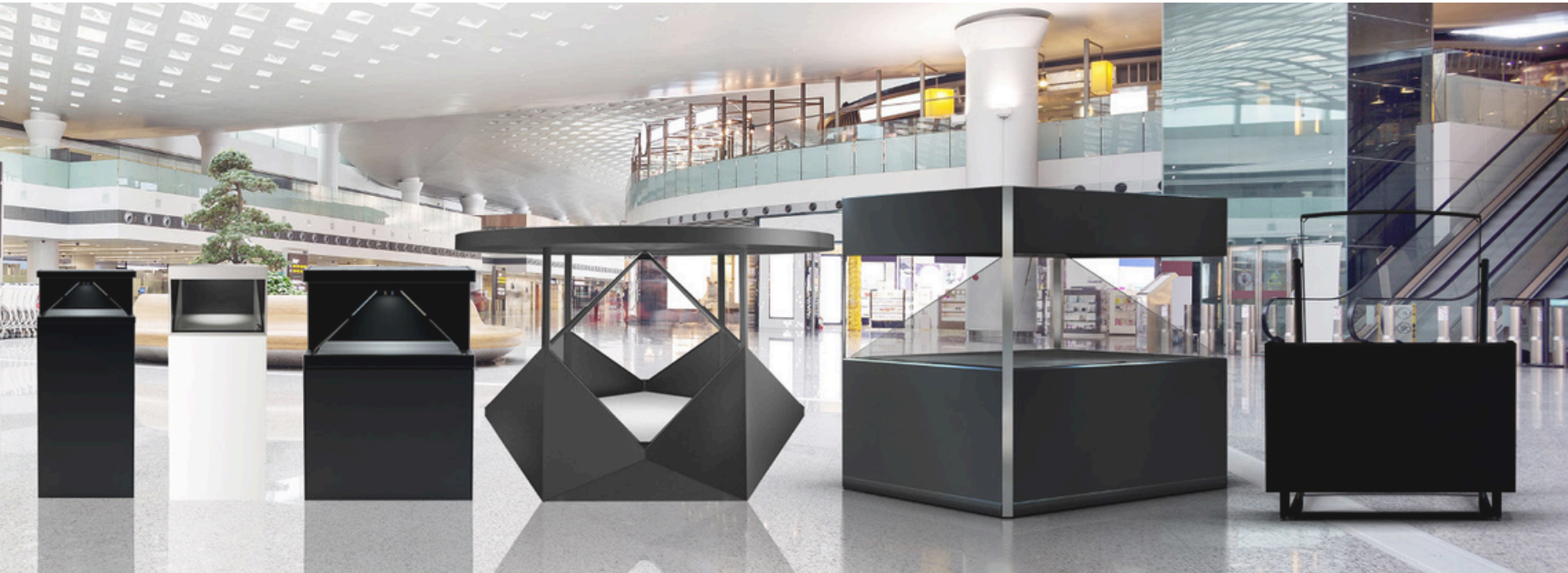
Sony (Spatial Reality Display)



LEIA



Looking Glass



LEGACY MIXED REALITY DISPLAY PORTFOLIO

DREAMOC – WORLD CLASS HOLOGRAPHIC EFFECTS

Dreamoc is a series of MR displays with a diamond shaped glass chamber where pictures and 3D animations appear to be floating together with real products. The content can be seen either from the front or from several directions simultaneously. **Dreamoc HD3** is the smallest and most flexible model for single products that can be experienced from several directions simultaneously. **Dreamoc POP3** can only be experienced from the front and is especially well suited for displays on shelves and for displaying several objects together. **Dreamoc XL5** and **Dreamoc XXL3** are, as their names suggest, larger models that make it possible to create attention for really large objects, for instance at airports or in shopping malls. **Dreamoc Diamond** is one of Realfiction's biggest Dreamoc displays, and the most elegant. A **Dreamoc Diamond** creates an extraordinary experience that fits brilliantly into exclusive boutiques.

Picture above: Realfiction's legacy display portfolio

DEEPFRAME – THE WORLD'S LARGEST MIXED REALITY DISPLAY

DeepFrame is the world's largest MR display and can create unbelievable real time experiences where holographic images and animations are projected over existing surfaces and objects. It was awarded the "CES 2018 Innovation Awards Honoree" title at CES, the world's largest consumer electronics show.

DeepFrame One is a plug and play model in the DeepFrame series that makes it possible to create unforgettable experiences for shopping malls and showrooms, amusement parks, museums, conferences, events and car showrooms. Other possible use cases include visualization in education and research as well as in architecture, manufacturing and construction.

FINANCIAL REVIEW

The Board of Directors and the Chief Executive Officer of Realfiction Holding AB hereby publishes the Annual Report and the consolidated accounts for the financial year 2025.

This is an extract from parts of the official Swedish Annual Report. The official report is available at the company's website under "Financial reports" and is called "Annual Report 2025 (PDF) Swedish".

Business operations

Realfiction develops innovative display technologies for the future of visual communication and user experiences. The Company's operations comprise the development and commercialisation of Directional Pixel Technology™ (DPT), a platform enabling multi-user 3D, multi-view and privacy applications without the need for glasses, as well as the sale and rental of Mixed Reality (MR) solutions based on the Company's proprietary technologies protected by patents and design rights.

The registered office of the Parent Company is located in Helsingborg, Sweden.

Group structure & Shareholding

Realfiction Holding AB has two fully owned Danish subsidiaries, Realfiction ApS and Realfiction Lab ApS and a branch in Taiwan. All activities are mainly carried out in the subsidiaries. In addition to the above, Realfiction Holding AB does not own any shares in other companies.

Income Statement for the Group

The Group's net revenue amounted to TSEK 4,264 during 2025, compared to TSEK 18,619 during 2024, corresponding to a decrease of 77 percent compared to the previous year.

The decline was primarily attributable to the absence of revenue from DPT projects during 2025, as well as lower sales of the Company's traditional mixed reality displays. The comparative year 2024 also included revenue of approximately MSEK 7.4 from a custom-tailored proof-of-concept project based on the Company's DPT technology.

Note 17 presents the Company's analysis of gross profit. Cost of goods sold amounted to TSEK 1,961 (TSEK 4,961). Accordingly, gross profit for 2025 amounted to TSEK 2,303 (TSEK 13,658), corresponding to a gross margin of 54.0 percent compared

with 73.4 percent in 2024.

The lower gross margin was primarily attributable to the fact that the comparative year 2024 included a DPT proof-of-concept project with a high gross margin. Gross margin was also negatively affected during 2025 by inventory write-downs relating to legacy display products that are no longer considered commercially saleable, reflecting the Company's strategic focus on the commercialisation of DPT.

Other external expenses decreased to TSEK 6,192 during 2025 from TSEK 8,256 during 2024. The decrease was primarily attributable to the execution of the Company's DPT go-to-market strategy, which resulted in lower research and development expenses during the year. In addition, general cost-saving measures contributed to the lower cost base compared to the previous year.

Personnel expenses decreased to TSEK 15,689 during 2025 compared to TSEK 18,004 during 2024. The decrease was primarily attributable to a reduction in headcount of two employees compared to the previous year.

Depreciation and amortisation of tangible and intangible non-current assets amounted to TSEK 6,955 during 2025 compared to TSEK 7,377 during 2024. The depreciation and amortisation primarily relate to previously capitalised development projects and licence rights.

Overall, operating loss for 2025 deteriorated by TSEK 6,704 to a loss of TSEK 25,711, compared to a loss of TSEK 19,007 during 2024. The deterioration was primarily attributable to lower revenue and gross profit compared to the previous year.

Other financial expenses mainly comprise accrued borrowing costs relating to the loan from Fenja Capital. Other financial income decreased during 2025 to TSEK 19 compared to TSEK 446 during 2024, primarily due to lower interest rates earned on cash deposits.

The Group's net result for 2025 amounted to a loss of TSEK 25,256 compared to a loss of TSEK 18,415 for 2024.

Balance sheet for the Group

Realfiction's total assets decreased to TSEK 72,372 as of 31 December 2025 from TSEK 89,050 as of 31 December 2024. The decrease was primarily attributable to the net loss for the year and loan repayments, which were partly offset by the completion of a share issue. The Group's solvency ratio amounted to 67.0 percent as of 31 December 2025, compared with 58.2 percent as of 31 December 2024.

Investments

The Company did not capitalise any development expenditures during 2025. Licence payments amounted to TSEK 536 during the year, compared to TSEK 1,272 during 2024.

Going concern, liquidity risk and financing

As of 31 December 2025, Realfiction's cash and cash equivalents amounted to TSEK 14,540, compared with TSEK 19,695 at the end of 2024. Cash flow from operating activities amounted to TSEK -19,711 during 2025, compared with TSEK -9,551 during 2024. The deterioration was primarily attributable to the fact that 2024 included a one-off payment of approximately MSEK 7.4 from the sale of a custom-tailored DPT proof-of-concept project, whereas no corresponding DPT revenue was recognised during 2025.

During 2025, the Company completed a refinancing of its debt facilities, repaid MSEK 5 of outstanding borrowings and carried out a capital raise that generated net proceeds of MSEK 22.9 after transaction costs.

As previously communicated, the Company was required to make an early repayment in April 2026 following a covenant-related event linked to the Company's market capitalisation. The Company's current cash flow forecasts include an expected additional repayment of MSEK 2 during July 2026. Furthermore, there remains a risk that similar repayment obligations could arise during October 2026 and January 2027, depending on the development of the Company's future market capitalisation in accordance with the terms of the loan agreement. Successful execution of ongoing commercial, strategic and financing initiatives may reduce the risk of such additional repayments.

Against this background, the Company is actively pursuing measures to strengthen its financial position and support continued operations. These measures include ongoing commercial discussions, potential development agreements, evaluation of capital markets transactions and other financing alternatives.

At the same time, the Company continues to pursue commercial and technical activities related to the DPT platform, including the recently initiated alternative architecture based on nematic liquid crystals, which Management believes has the potential to reduce certain near-term obstacles related to future industrialisation and mass production.

The Company's current liquidity is not sufficient to fund operations beyond late summer 2026 without additional capital inflows from commercial agreements, financing activities and/or other liquidity measures.

Management's assessment of the Company's ability to continue as a going concern is dependent upon several factors, including:

- continued progress and successful technical validation of the alternative nematic liquid crystal-based solution during the coming months,
- progress in ongoing commercial discussions and potential development agreements,
- the Company's ability to secure additional financing and liquidity solutions, and
- sufficient investor participation in future financing initiatives.

These circumstances indicate the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

However, the Board of Directors and Management consider the going concern assumption to remain appropriate based on:

- ongoing commercial discussions,
- the ongoing strategic review process,
- expected near-term technical validation of the alternative nematic liquid crystal-based solution,
- the Company's cash flow forecasts and underlying assumptions,
- the Company's ongoing financing activities, including potential capital markets transactions, and
- Management's expectation that the Company will be able to secure additional liquidity measures to support continued operations.

Impairment assessment of DPT-related intangible assets

As of 31 December 2025, DPT-related intangible assets amounted to TSEK 53,103, compared to TSEK 63,252 at the end of 2024.

Management has assessed the carrying value of the Group's DPT-related intangible assets in light of the commercial, technological and liquidity-related uncertainties described in this report.

The assessment continues to support the carrying values. Management's assessment is based on the continued long-term commercial potential of the DPT platform, ongoing technical and commercial progress, updated business assumptions and the application of elevated risk assumptions in the underlying impairment model.

The impairment assessment is based on the assumption that the Company will be able to continue as a going concern and secure sufficient liquidity to support continued development and commercialisation activities. Consequently, failure to secure adequate financing and/or achieve sufficient commercial and technical progress may have a material adverse impact on the recoverable amount of the Group's DPT-related intangible assets.

The impairment assessment remains highly dependent on assumptions regarding future commercialisation, technical validation, financing and the timing of market adoption.

The share

Realfiction Holding AB's share was listed on Nasdaq Stockholm First North 14 July 2017. The share is traded with the ticker REALFI and its ISIN-code is SE0009920994. At 31 December 2025, the number of shares in Realfiction Holding AB was 23,973,431 pieces, compared to 19,951,447 pieces on 31 December 2024. The company has one share class. Each share entails equal rights to recognize the company's assets and results.

Financial risk management

The financial risks in addition to liquidity risk mentioned on page 14 can primarily be divided in the following categories:

Currency risk

The Groups sales are made in local currency as well as in foreign currency, primarily USD and DKK. Purchases are primarily made in DKK and USD. When deemed

Interest risk

The Group's interest rate risks are mainly connected to interest-bearing liabilities with floating interest rate, totalling 12,646 TSEK at the balance day compared to 21,212 TSEK at 31 December 2024.

Credit risk

The Group tries to find business partners with the highest possible credit rating. The majority of the Group's sales can be made with low credit risk. Historically, the credit losses have been low.

Significant events after the end of the year

On 24 February, Realfiction announced that the Board of Directors decided to initiate a strategic process with the aim of strengthening the commercialization of DPT technology, by exploring and evaluating the interest and conditions for a potential industrial partnership, joint venture, or other strategic combination involving the Company, including to explore any interest by potential acquirers of the Company and/or its subsidiaries. The decision is based on an overall assessment of the Company's long-term development opportunities and is intended to ensure the best possible conditions for accelerating commercialization, mass production, and global sales of the Company's DPT technology. The Board believes that a structural solution could potentially strengthen the Company's market position, accelerate the scaling of the technology, and create increased value for shareholders. The process will include an evaluation of relevant strategic alternatives and potential interested parties.

On 17 March, Realfiction announced that it has engaged Grant Thornton as financial advisor in connection with the strategic review process.

On 31 March, Realfiction published an update on the Company's liquidity position and cash flow forecast for 2026. Due to an early repayment of loan of MSEK 2 in April, and another potential early repayment during the summer, the Company's current cash resources are now expected to support operations until late summer 2026. The early repayment in April, and the potential additional early repayment during the summer, are required based on loan conditions related to the market capitalisation of the Company. As a consequence, the Company is exploring near-term measures to strengthen its financial position and address the resulting funding requirement for 2026, thereby supporting the ongoing process with Grant Thornton to identify the most appropriate path for commercialisation of DPT. However, no agreement has been reached at this stage and there can be no assurance that such measures will be successful within the required timeframe. This has a significant impact on the Company's short-term liquidity outlook.

On 22 April, Realfiction announced a significant technological advancement in its Spatial Light Modulator (SLM), which may provide a more direct and scalable approach to mass production of large-format DPT displays. In parallel with its current high-speed ferroelectric liquid crystals (FLC) based SLM approach for multi-user functionality, which has presented challenges as FLC is not yet standardized for mass manufacturing, Realfiction has developed a patent-pending new principle aimed at enabling the required high-speed performance using a class of production-ready nematic liquid crystals. This development addresses key barriers to scaling DPT and supports a more direct path toward mass production of large-format displays. Realfiction is now initiating collaboration with its partners to further validate and integrate the upgraded SLM approach into future DPT display designs. The objective is to accelerate the path toward mass production of DPT displays across multiple sizes and application areas, while maintaining the core DPT characteristics, including multi-user individual 3D experiences, strong depth perception, and no loss of resolution.

MULTIPLE YEAR OVERVIEW (TSEK)

Group	2025	2024	2023	2022	2021
Net revenue	4,264	18,619	9,923	14,209	12,575
Result after financial items	-30,112	-22,798	-8,120	-2,066	-4,554
Total Balance Sheet	72,372	89,050	89,491	92,328	81,966
Solvency ratio (%)*	67.0	58.2	75.4	79.9	87.2
Average number of employees	11	13	14	11	9
Gross profit 1)**	2,303	13,658	6,525	9,180	6,848
Gross profit margin (%)***	54.0	73.4	65.8	64.6	54.5
Earnings per share (SEK)****	-1.18	-0.93	-0.31	-0.07	-0.05
Average number of shares	21,321,921	19,795,338	19,762,847	19,740,483	18,362,982
Average number of shares outstanding, including dilutive effect of outstanding warrants	23,029,275	20,584,378	20,558,460	20,480,611	20,392,753
Number of shares at the end of the period	23,976,431	19,951,447	19,762,847	19,762,847	19,711,847

*Solvency ratio: Equity as a percentage of the balance sheet total

**Gross profit Net turnover after costs for goods sold (see Note 17)

***Gross profit margin: Gross profit as a percentage of Net revenue

****Earnings per share: The net profit or loss for the period divided by the average number of shares

Parent company	2025	2024	2023	2022	2021
Net revenue	1,000	1,000	600	600	600
Result after financial costs	-4,819	-4,379	-888	-1,082	-1,192
Total Balance Sheet	138,904	125,373	109,518	109,766	110,588
Solvency ratio (%)	90.46	83.71	99.5	99.5	99.5
Average number of employees	0	0	0	0	0

Ownership structure

The table below shows shareholders in Realfiction Holding AB as of December 31, 2025.

Name	Number of shares
Balsler Invest ApS	> 15%
Clape Holding ApS*	> 10%
AmTRAN Technology Co. Ltd.	> 5%
Försäkringsaktiebolaget, Avanza Pension	> 5%

* CLAPE Holding ApS is 50 percent owned by the CEO and board member Clas Dyrholm and 50 percent by board member Peter Simonsen.

Proposed appropriation of retained earnings

(Amount in SEK)

Proposition for the appropriating the company's retained earnings
At the proposal of the general meeting:

Share premium reserve	128,076,484
Loss for the year	-4,819,048
	123,257,436

The board proposes that unrestricted equity be allocated as follows:

Balanced in new account:	123,257,436
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INCOME STATEMENT

TSEK	Note	Group	
		2025	2024
Operating income			
Net revenue		4,264	18,619
Other income		822	972
Total operating income		5,086	19,591
Operating expenses			
Cost of goods sold	17	-1,961	-4,961
Other external costs		-6,192	-8,256
Personnel costs	4	-15,689	-18,004
Depreciation of tangible and non-tangible assets	8	-6,955	-7,377
Total operating expenses		-30,797	-38,598
Operating result	17	-25,711	-19,007
Result from financial investments			
Other interest income and similar profit/loss items	5	19	446
Interest costs and similar profit/loss items	6	-4,420	-4,237
Total financial items		-4,401	-3,791
Result after financial items		-30,112	-22,798
Tax for result of the year	7	4,856	4,383
Result of the year		-25,256	-18,415

BALANCE SHEET

TSEK	Note	Group	
		31-12-2025	31-12-2024
Assets			
Non-current assets			
Intangible assets			
Development costs	8	50,187	60,017
Licenses		2,916	3,235
Total intangible assets		53,103	63,252
Tangible assets			
Fixtures, tools and installations	8	22	200
Total tangible assets		22	200
Financial assets			
Other long-term receivables	10	369	393
Total financial assets		369	393
Total Non-current assets		53,494	63,845
Current assets			
Inventories etc.			
Finished products and goods for sale		678	1,687
Total inventories etc.		678	1,687
Short-term receivables			
Trade receivables		213	103
Current tax receivables		2,567	2,622
Other receivables		570	787
Prepaid expenses		310	311
Total short-term receivables		3,660	3,823
Cash and bank		14,540	19,695
Total current assets		18,878	25,205
Total assets		72,372	89,050

TSEK	Note	Group	
		31-12-2025	31-12-2024
Equity and liabilities			
Equity			
Share capital		2,398	1,995
Other received capital		133,952	111,447
Other equity incl. the result of the period		-87,884	-61,652
Total equity		48,466	51,790
Provisions	12		
Deferred tax liability		0	2,487
Total provisions		0	2,487
Long-term liabilities	13		
Liabilities to credit institutions		12,109	0
Other liabilities		795	931
Prepaid income	14	6,424	7,681
Total long-term liabilities		19,328	8,612
Short-term liabilities			
Liabilities to credit institutions		537	21,212
Accounts payable		244	630
Other liabilities		2,235	2,469
Accrued costs and prepaid income		1,562	1,850
Total short-term liabilities		4,578	26,161
Total liabilities		23,906	34,773
Total equity and liabilities		72,372	89,050

CHANGES IN EQUITY

Group					
TSEK	Share capital	Share capital under registration	Other contributed capital	Other own capital incl profit for the year	Total amount equity
Amount at the beginning of the year 01-01-2024	1,976	0	111,104	-45,609	67,471
Share issues	19	0	413	0	432
Issue costs	0	0	-70	0	-70
Warrant program	0	0	0	356	356
Exchange rate difference for the year	0	0	0	2,016	2,016
Result of the year	0	0	0	-18,415	-18,415
Amount at the end of the year 31-12-2024	1,995	0	111,447	-61,652	51,790
Share issues*	403	0	29,648	0	30,051
Issue costs	0	0	-7,143	0	-7,143
Warrant program Exchange rate difference for the year	0	0	0	2,812	2,812
	0	0	0	-3,788	-3,788
Result of the year	0	0	0	-25,256	-25,256
Amount at the end of the year 31-12-2025	2,398	0	133,952	-87,884	48,466

*) Share issues consist of the following increase in capital that was fully paid in 2025:

- Rights issue of 3,999,984 shares registered on August 28, 2025
- Exercise of warrants of 25,000 shares registered on December 22, 2025

The number of shares amounts to 23,976,431 and the quota value is 0.10 SEK per share.

The company has 312,100 warrants from the 2017 warrant program for senior executives outstanding. Each warrant entitles the holder to subscribe for one share in Realfiction Holding AB. The warrants can be exercised until June 22, 2027 at an average subscription price of 1.95 SEK.

The company has 165,831 warrants from the 2021 warrant program for senior executives and external consultants outstanding. Each warrant entitles the holder to subscribe for one share in Realfiction Holding AB. The warrants can be exercised until December 31, 2027. The warrants have an average subscription price of 17.89 SEK.

The company has 75,000 warrants from the 2022 warrant program for early external consultant (current employee) outstanding. Each warrant entitles the holder to subscribe for one share in Realfiction Holding AB. The warrants can be exercised until December 31, 2027 at an average subscription price of 12.00 SEK.

The company has 55,000 warrants from the 2023 warrant program for senior executives outstanding. Each warrant entitles the holder to subscribe for one share in Realfiction Holding AB. The warrants can be exercised until December 31, 2030 at an average subscription price of 13.00 SEK.

The company has 1,999,992 warrants from the 2025 TO2 warrant program outstanding. Each warrant entitles the holder to subscribe for one share in Realfiction Holding AB.

The warrants may be exercised during the period from 16 September 2026 up to and including 30 September 2026 at a subscription price payable in cash corresponding to 70 per cent of the volume-weighted average share price during the period from 31 August 2026 up to and including 14 September 2026, however not exceeding SEK 10 per share and not being less than the quotient value of the share

CASH FLOW ANALYSIS

TSEK	Note	Group	
		2025	2024
Operating activities			
Operating result		-25,711	-19,007
Depreciation		6,955	7,377
Received interest		19	446
Warrant program (non-cash)		202	356
Payed interest		-2,839	-2,276
Received tax		2,464	3,223
Cash flow from operating activities before changes in operating capital		-18,910	-9,881
Cash flow from changes in operating capital			
Decrease(+)/increase(-) in inventory		922	2,012
Decrease(+)/increase(-) in current receivables		-171	-570
Decrease(+)/increase(-) in current liabilities		-1,552	-1,112
Cash flow from operating activities		-19,711	-9,551
Investment activities			
Purchase of intangible assets		-536	-1,272
Purchase of tangible assets		0	-15
Sales of tangible assets		0	15
Sales and purchase of financial assets		0	-3
Cash flow from investment activities		-536	-1,275
Financing activities			
Loan installment		-7,506	-1,530
Loan		0	17,849
Inno booster grant		0	1,113
Share issue		22,908	362
Cash flow from financing activities		15,402	17,794
Cash flow for the year			
Cash and cash equivalents at the beginning of the year		19,695	12,523
Foreign exchange difference in cash and cash equivalents		-310	204
Cash and cash equivalents at the end of the year	18	14,540	19,695

Note 17 Gross profit analysis

		Group	
	Not	2025	2024
Net revenue		4,264	18,619
Cost of goods sold		-1,961	-4,961
Gross profit		2,303	13,658
Other external costs		-6,192	-8,256
Personnel costs	4	-15,689	-18,004
Depreciation of tangible fixed assets	8	-6,955	-7,377
Other income and expenses		822	972
Net operating cost		-28,014	-32,665
Operating result		-25,711	-19,007

Note 18 Cash on hand

	Group	
	31-12-2025	31-12-2024
The following component is included in cash on hand:		
Bank balance	14,540	19,695
	14,540	19,695

